PARTING AND RECORD SHEET FROM: EXTENSION Executive Officer to the DDA DATE 7D24 Headquarters 7 November 1985 TO: (Officer designation, room number, and DATE OFFICER'S COMMENTS (Number each comment to show from whom building) to wham a line across column after each comment.) RECEIVED FORWARDED 1. Deputy Chief, Legislative Division, OLL 7B24 Headquarters 4. 5. ð. 7. 9. 10. 11. 12. 13. 15. FORM

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7 November 1985 DDA 85-3785/1

COMMENTS FOR: Comptroller

Deputy Chief, Legislative Division, Office of Legislative Liaison

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FROM:

Executive Officer to the DDA

SUBJECT:

Committee Report on Department of Defense Appropriations
Bill for FY 86 Concerning Procurement Reform for the

Intelligence Community

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The Office of Logistics

Acting Chief, Procurement Management Staff/OL) and the Executive Officer to the DDA

carefully reviewed the referenced committee report and considered Deputy Chief, Legislative Division/OLL guidance contained in OLL 85-3414 of 5 November 1985. We have discussed our findings with the Deputy Director for Administration and offer the following comments:

 Certainly, if the appropriations committee and the Congress of the United States want the Agency to evaluate the effectiveness of CIA's procurement policy, it will be done and a report will be prepared prior to 1 March 1986. Evaluating the effectiveness of CIA's procurement policy and specifically addressing those items contained on page 48 of the House Appropriations Committee report [on HR 3629 DoD FY 1986 Appropriations Bill] will create a number of challenges for the Office of Logistics and the Directorate of Administration. Because of the way in which CIA procurement is organized and conducted in a decentralized manner, many procurement programs are not within the day to day purview of the Office of Logistics. They do not have access to the Office of Development and Engineering side of the House. To gather the information needed for Agency programs, we must establish a task force consisting of contracting, technical, audit and inspector general personnel. This can be done even though it will require substantial resources be diverted from other priority tasks. We believe a 1 June 1986 reporting date is more appropriate and would permit CIA sufficient time to prepare a more meaningful review and report. The report certainly should be submitted through HPSCI to keep this information within our oversight structure and to facilitate protection of sources and methods. The DDA defers to Director, Intelligence Community Staff, concerning

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the ability of the DCI to provide a similar report for the entire intelligence community.

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SUBJECT: Committee Report on Department of Defense Appropriations
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comments in his 5 November memorandum that if a report must be rendered, it is best that the intelligence community do it "in house." Also, we in no way wish to aggrevate the Congress in placing obstacles in carrying out their instructions. The Congress has concerns with aspects of defense procurement and it is understandable that they would like to be assured that a similar problem does not exist in the intelligence community.

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